The Ninilchik Natives Assoc.
PO Box 39130
Ninilchik, AK 99639
When we have received returned mail marked “Unable to Forward” or “Forward Time Expired” due to a change of addresses, or name, that has not been recorded with us, that shareholder is considered missing.

Correspondence and distributions for missing shareholders are held in our office until written verification of current contact information is received. See page 12 for our Change of Name/Address Form.

If you have any information on how we can contact them, please contact our office at (907) 567-3866.
### MAY

- **Closed for Memorial Day**
  Monday May 26th

- **Mother’s Day**
  May 11th

- **Armed Forces Day**
  May 17th

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### JUNE

**41st Annual Meeting**  
**June 14th**  
1:00 pm call to order  
Carol Bock Hall - Ninilchik Fair Grounds

BOD Meeting prior to Annual Meeting at 10:00 am at the NNAI Office.  
BOD Post Meeting to be determined.

- **Flag Day**  
  June 14th

- **Father's Day**  
  June 15th

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### JULY

**Closed for Independence Day**  
Friday July 4th
A MESSAGE FROM THE PRESIDENT

April 2014

This year the town of Ninilchik and NNAI will see some changes. The new fishing and clamming regulations will affect, not only our subsistence lifestyle, but those who count on the traditional ways of life for means of support as well as both commercial and sport fishermen. It could be a bleak year. Clamming on Ninilchik Beach has been shut down and the King fishing severely restricted. These changes are necessary for supporting the species, but, never the less it will impact us.

There are however, some bright spots in the future.

The Ninilchik General Store, under new ownership, is offering goods and services previously unavailable locally, and we are seeing a great increase in the use of that local resource. The meat and produce selection in particular has been expanded and many things previously only available in Soldotna can now be purchased in Ninilchik. This is exciting for both locals and tourists. In addition, the hardware section of the store has been expanded into a new location next to the NNAI offices.

Over these last few months Ninilchik Natives Association, Inc. participated with its fellow Cook Inlet Villages; Chickaloon Moose Creek Native Assoc., Knikatnu, Inc., Salamatof Native Assoc., Inc., Seldovia Native Assoc., Inc., and Tyonek Native Corp. as well as Cook Inlet Region, Inc., as a group, to complete a land access permit for Alaska Energy Authority. AEA is a state entity responsible for planning and environmental study for the Susitna-Wantana Dam project. As a result Ninilchik will receive land access fees for the portion of their property that is used. This also results in the possibility of future monetary fees for the land access permit. Completing this monumental task has been a historic achievement requiring much commitment, time, effort and willingness to compromise for the greatest good for the greatest number of people. Please see pages 6 and 7 for more information on the Susitna-Wantana Dam project.

NNAI is looking forward to good possibilities in providing gravel for numerous Hilcorp oil projects around the Ninilchik area. These projects require gravel and fill that NNAI can provide from their own sites. Hilcorp has agreed to give bidding opportunities to those native corporations with resources available local to their projected work areas. Currently NNAI is also working on a Royalty Agreement with CIRI regarding Gravel.

NNAI has an exciting new website. We have updated it and made our old website more user-friendly. Our web address and contact information remains the same. I would like to extend a thank you to shareholder Forest Kvasnikoff for lending NNAI his expertise and knowledge and helping our Office Administrator Caitlyn Rowe create this site. Feel free to browse and enjoy this updated information resource at NNAI.net.
A MESSAGE FROM THE PRESIDENT

April 2014 Continued.

This year marks the 41st Annual Meeting of Shareholders. We will be hosting the meeting in Ninilchik, AK on June 14, 2014. The Annual Meeting is held to elect board members and conduct business on the corporate level. Proxies will be sent out prior to the meeting, so be sure to send yours in on time and get your chance at winning a prize. We will have some prizes and food for all that attend.

NNAI has just finished their 2013 financial Audit. We are pleased at the forward motion the company is showing in its internal checks and controls as well as the positive trend in earned revenue. Hopefully NNAI will see this to fruition in the coming years. Every step counts in the climb towards solvency and profit for the company.

This brings me to the difficult point of monetary distributions. For a corporation to stay in operation, it must maintain a healthy, profitable business with viable investments. We are working diligently to cover our operations expenses without drawing from investments. The purpose of a corporation after all, is to make a profit and build shareholder equity. In order to do that NNAI must invest. The NNAI Board of Directors and myself as President/CEO are constantly looking for investment opportunities. The problem that remains is a lack of substantial capital for making viable investments. Dividends, after all, are payments that come out of a company’s profits. We cannot pay dividends to our shareholders while we are still running a deficit budget. As to the recent 7(j) revenue funds received by NNAI, the Board of Directors voted to distribute $6.94 per share to be mailed on May 12, 2014.

Wishing you a wonderful Spring and Summer.

Best Regards,

Richard “Greg” Encelewski
President/CEO
The Ninilchik Natives Association, Inc.
907.398.0884
greg@nnai.net
nnai.net

2013 Traditional Smoked Salmon, fresh from the smoke house to my kitchen. Hopefully this year we will have the fish for more of this traditional delight.
SUSITNA-WATANA HYDRO
Clean, reliable energy for the next 100 years.

Accomplishments and Status (April 7, 2014)

- **CIRI and Cook Inlet Village Corporation Land Access** - Six Cook Inlet Village Corporations and CIRI negotiated a single land access permit with AEA to conduct environmental field work. The permit was signed by all eight entities on Friday, April 4. The permit includes multi-year access for Susitna-Watana Hydro environmental field work through licensing while providing necessary protections for land owners.

  "For the villages, it has been a long process to reach a consensus so AEA and their contractors can conduct studies on privately-owned village land. Our goal was to protect our land and ensure worker safety. We are all satisfied with the terms of the agreement and have signed it. We are ready for the upcoming summer activities and support AEA’s efforts to complete their studies so the project can continue to the next stage of development."

  ---- Connie Downing, Director of Lands, Tyonek Native Corporation

  "Completing this monumental task has been a historic achievement requiring much commitment, time, effort and willingness to compromise for the greatest good for the greatest number of people."

  ---- Greg Encelewski, president, Ninilchik Natives Association

- **Boots on the Ground** - AEA wrapped up an extremely productive 2013 field season. Although some work continues year-round, the bulk of the activities were conducted during the spring through autumn. More than 6,000 pages of information was filed with the Federal Energy Regulatory Commission as part of the initial study report (ISR). Elements of all 58 FERC-approved studies were conducted this year.

The data collected continues to reinforce trends documented in the 1980s. Limited fish travel upstream past Devils Canyon, a narrow 10-mile stretch of rapids 22-32 river miles downstream of the proposed project.
Funding - The misalignment between summer field seasons and fiscal years continues to add complexity to managing the project schedule. This results from the need to negotiate contracts with study consultants and field support providers in February and March to facilitate field activities in the summer. However, the timing of these negotiations falls during the period of highest budget uncertainty as the Legislature considers the Governor’s proposed budget.

Funds are not spent evenly throughout the year and the largest amount is spent to mobilize and execute field efforts during the spring and summer. The current FY 15 Capital Budget includes $10 million and the project team has approximately $30 million in funds available from FY 14 to secure contractors and mobilize field efforts. The Governor included $32.7 million in a FY 14 Supplemental Budget Request to allow AEA to continue to procure goods and services necessary to implement a complex field effort of this magnitude. An additional $73 million would be necessary for FY 16 and to advance the project to license application.

Licensing - AEA is focused on advancing the project to license application, currently scheduled for 4Q 2016. The goal of AEA is to advance the project to a FERC hydropower license. In order to adhere to the FERC licensing schedule, a certain level of forward momentum must be maintained, including field studies, reporting and achieving milestones.

Susitna-Watana Hydro has advanced halfway through the FERC licensing process by implementing the FERC-approved environmental study plan. Maintaining requested budget amounts is critical to completing the licensing process and avoiding the risk of disengaging federal agencies and costly delays.

The gasline and Susitna-Watana Hydro do not compete with each other and are part of an effort to diversify Alaska’s energy resource base while providing stable and low-cost energy to Alaskans. All financing scenarios assume the state will be repaid in its original investment in Susitna-Watana Hydro, including funds spent to date.

Economics and Financing Plan - AEA has hired a financial advisor firm who has confirmed that Susitna-Watana Hydro is economic and financeable and that the original economic assumptions are valid. The team is currently evaluating financing options, all of which assume that the state will be repaid its original investment in Susitna-Watana Hydro, including funds spent to date.

Susitna-Watana Hydro can provide power at or about 7 cents/KWh over 50-years.

AEA has received a qualification letter from the Rural Utilities Service (RUS), confirming that they can finance up to 50 percent of the project. RUS interest rates are currently around 3 percent.
**NNAI LAND AN RESOURCES OFFICE REPORT—SPRING 2014**

**NNAI LAND HOLDINGS TOP 165,000 ACRES**

With the 2013 receipt of the final ANCSA 12a and 12b surface-estate land entitlements, NNAI has now become the owner of more than One Hundred Sixty Six Thousand acres of original ANCSA Land Holdings. These holdings represent a very substantial inventory of lands, rich in both cultural and monetary value; resources and that have great purpose and meaning for the Native families and Shareholders originating from our village throughout our past.

NNAI as a corporation has benefitted greatly over the years from many economic opportunities arisen from various surface uses as well as direct resources from the land. Timber harvesting and wood product manufacturing were some of the earliest benefits; from timber and forest products came road development and access opportunities that, to this day, continue to provide revenue to our corporation. Revenues are also fed back to NNAI through large tract leasing, easements, paid access fees, as well as commercial uses and some developed rentals.

Recently opportunities for large scale regional land based revenue streams have begun to present themselves. Some of these include; leasing and rentals associated with growing resource pursuits in Oil and Gas; gravel sales for commercial projects such as public road/highway upgrades; proposed hydro-power development and related land utilization; seismic research and exploration as well as many others.

As one of the largest private land holders on the Kenai Peninsula, with additional, sizable, private land holdings in the West Cook Inlet and Talkeetna Mountains regions of Alaska, NNAI is poised to see great opportunities for deriving revenues from our surface-estate land holdings well into the foreseeable future.

**CONSERVATION ENHANCEMENTS IN 2014**

October 1st of 2013 marked the start of the fifth fiscal year of conservation project enhancements upon NNAI Lands. 2014 marks the final year, of our five-year contract with the National Resource Conservation Service (NRCS). The conservation project completed this year will satisfy the last year for direct project requirements in fulfillment of our contract for conservation projects such as roadway upgrades, and fish stream and habitat enhancements.

Under this conservation incentives grant, award to NNAI in 2008, our corporation has been able to install over six major salmon stream cross-flow improvements along our existing roadways. Additionally, we have completed four ancillary stream or habitat upgrades that included fish friendly oversized...
culvert placements along roadways that impacted known habitat features in previous years. These projects have provided NNAI with the resources to make long-awaited and very necessary roadway and fish stream improvements while earning financial incentives which have benefitted the company as well.

**GRAVEL AND MATERIALS SALES**

With the start-up of a number of large-scale highway and road projects, as well as planned oil and gas expansions for 2014 and 2015, NNAI has begun to see growing interest in the potential sales of gravel and aggregate materials. After a slow-down in materials sales in the recent past, new stimulus and highway maintenance projects are beginning to breathe life back into potential sales.

With the corporation’s acquisition of gravel rights in “fee simple” on particular land tracts where Cook Inlet Region Inc. held subsurface title, the corporation has the opportunity to become a significant direct source for aggregate material sales in the Ninilchik area.

Additionally, gas and oil development companies adding operating pads and facilities in this, the 2014 season, the construction phases of projects in Ninilchik and surrounding areas are beginning. NNAI is working diligently to negotiate sales opportunities with these companies and preparing for potential sales. Volume estimates have been performed for these sites, permit amendments and renewals have been drafted, sieve tests and data analysis which are necessary for certain state, federal, or publicly funded projects have also been conducted.

**SURVEY OF NNAI ANCSA LANDS UPCOMING**

Over the coming months, the U.S. Bureau of Land Management is expecting to move ahead with the plans that begin the process which will lead to the outer-boundary cadastral survey of the remaining land conveyances of NNAI and the other Cook Inlet Villages. The BLM has notified the villages and CIRI that it has received initial federal funding adequate to begin planning and the writing of the “Special Instructions” that will guide the survey process.

The process to complete ground control monumentation surveys of these lands had been held off for many years as it is only recently that the Cook Inlet Villages received their final conveyance title documents. Now that final entitlement conveyances have cleared, the US BLM moves towards the bidding process for companies interested in carrying out the GPS identification of the exterior boundaries of the conveyed tracts.

It is expected to take two or more years to complete the survey of all of the Cook Inlet Village remaining unsurveyed tracts. Added to the lands surveyed will also be all of the regional lands set to be finalized and conveyed to Cook Inlet Region, Inc. (CIRI) very soon.

Once all final conveyed tracts and any acreage adjustments are cataloged they will be placed on the BLM seasonal survey schedule for crews to carry out as directed. Upon completion of all ground surveyed monumentation, BLM will prepare final Master Title Plats.
41st Annual Meeting of Shareholders

June 14, 2014

Registration at 10:00am
Lunch at 12:00 noon   Call to Order at 1:00pm
BOD Meeting 10:00 am at the NNAI Office prior to the Annual Meeting.

Coffee and Pastries will be served during registration, which will start at 10:00am.
Registration lasts until Call to Order at 1:00pm.
A light Luncheon will be serve at noon with the meeting to follow.

Hosted at the:
Kenai Peninsula State Fair Grounds
Carol Bock Hall
16200 Sterling Hwy
Ninilchik, AK 99639

Coffee and Pastries will be served during registration, which will start at 10:00am.
Registration lasts until Call to Order at 1:00pm.
A light Luncheon will be serve at noon with the meeting to follow.

Proxy Packets with all your voter information and Proxy Ballot will be mailed on May 15th, 2014.
Be sure to vote by the deadline for your chance at cash prizes!

PROXY DEADLINE
Proxys must be received by the Election Judges by 5:00pm
Thursday June 12, 2014

Door Prizes
(2) Prizes of $100.00
(6) Prizes of $50.00
(4) Prizes of $25.00
All attending the Annual Meeting will be eligible Door Prizes.

Cash Prizes
(3) Grand Prizes of $500.00
(10) Prizes of $100.00
(10) Runner Up Prizes of $50.00

All shareholders who accurately vote, whether voting by proxy or in person, will be eligible for the cash prizes. All cash prizes will be drawn at the meeting.

Attendance is not required.
The Ninilchik Natives Association, Inc.

Spring 2014

Newsletter

Our new website is now live!

nnai.net

Your source for up to the minute NNAI news, events and opportunities, as well as, an array of forms, guides and information all at your fingertips!

A special Thank You to Shareholder, Forest Kvasnikoff, for his donated time and assistance in helping to build and create our new website.

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Educational Opportunities

for Shareholders and Descendants

The CIRI Scholarship and Grant program offers post-secondary education scholarships and vocational training grants in order to encourage professional preparation for careers after high school and to enhance employment skills of eligible and qualified NNAI beneficiaries.

If you would like more information regarding this, you can go to www.thecirifoundation.org/ or contact our NNAI office at (907) 567-3866 or shareholders@nnai.net.

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Employment Opportunities

CIRI Land Development Company (CLDC) has Internships available to CIRI Shareholders or Descendants.

The Position is a direct working position with an opportunity for hands on experience.

For more information regarding this position, contact CLDC’S office at 907.263.5198 or apply at www.ciri.com/careers.

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In Memory

Our heartfelt condolences are extended to those families and friends who have lost loved ones.

If you have a loved one whom you would like to memorialize personally or if you feel you do not want your loved one to be mentioned in our newsletter, please let us know.

Becky Rae Oskolkoff

Native Alaskan and Ninilchik resident Becky Oskolkoff, 53, passed away Saturday, Feb. 15, 2014 at Providence Extended Care in Anchorage.

Becky was a fun and loving person with a passion for helping people. In her younger years, she enjoyed gardening, horseback riding, cooking and playing guitar. Becky enjoyed telling stories and spending time with her family and friends.

Mary Marie Reid
January 16, 1926—February 19, 2014

Soldotna resident Mary Marie Reid, 88, died peacefully at her home Wednesday, Feb. 19, 2014 with family by her side.

Mary Marie was a hard worker and no one ever went hungry when they visited “grandma’s” house. She was a master of Solitaire which she enjoyed playing everyday.
Change of Address/Name Form

Shareholder’s Name _____________________________________________________________
(First) (Middle) (Last)

NNAI Custodian’s Name (if any) __________________________________________________
(First) (Middle) (Last)

Contact Information: Update your address with the U.S. Postal Service or your NNAI mail may be returned.

Address: ___________________________________________________________ Social Security No.: __________________________
(City) (State) (Zip) (Last four digits only)

Date of Birth: __________________________ (MM/DD/YYYY)

Name Change: If your name has changed, please attach a copy of the legal document authorizing the change (i.e., marriage license, divorce decree, etc.) and list your previous and new name

Previous Name: ____________________________________________________________

New name: ________________________________________________________________

SIGNATURE: ___________________________________________________________ DATE: ______________________

Please include verifying documentation of your Name Change and a copy of a Driver’s License or other form of Government ID for Signature Verification on your Address Changes.

Your personal information is used for verification and shareholder records only and is kept confidential.

Return this form to NNAI

Scan and Email it to shareholders@nnai.net  By Mail: NNAI PO Box 39130
Fax it: 907-567-3867

Questions?
Call us: 907-567-3866 888-301-1058

Office use only
Return Mail Resent? __________________________ Signature Verified □ _______ Entered Initial Date
Mailing Register Accounting

Revised 8/2013
Contact Us

We look forward to hearing from you!

Your NNAI Board of Directors:

Richard “Greg” Encelewski, President
Roberta Oskolkoff, Vice President
Michelle Partridge, Secretary/Treasurer
Arnold Oskolkoff, Director
Eugene Steik, Director
Leland Shelford, Director
Camille Walls, Director

phone: (907) 398-0884
phone: (907) 283-7748
phone: (907) 252-7141
phone: (907) 252-5928
phone: (907) 398-7300
phone: (360) 652-1303
phone: (206) 947-5655

Board of Directors Meeting Schedule

BOD Meeting: Saturday, June 14, 2014 - 10:00 am at NNAI Office
41st Annual Meeting: Saturday, June 14th, 2014 @ 10:00 a.m.
BOD Meeting After Annual Meeting: NNAI Office; Time to be determined.
Call the office for details.
Meetings are subject to change.

THE Ninilchik Natives Association, Inc. Office

Address:
15730 Sterling Hwy.
P.O. Box 39130
Ninilchik, AK
99639-0130

Phone: (907)-567-3866
Fax: (907)-567-3867
Toll Free: 1-888-301-1058
E-mail: nnai@nnai.net
Web: www.nnai.net

Our shareholder’s email address is:
shareholders@nnai.net

Hours: Monday–Friday 9am-5pm
Closed Noon-1 for Lunch

Staff:

‘Greg’ Encelewski, Acting CEO
Cell Phone: (907) 398-0884

Bruce Oskolkoff, Director of Land & Natural Resources
Cell Phone: (907) 394-3668

Caitlyn Rowe, Office Administration
Cell Phone: (907) 394-0633

Sharon Dullinger, Administrative Assistant
Ninilchik Trading Company

Stop by for…

• Full Meat Counter
• Gifts/Cards/Movie Rentals
• Ice Cream cones/Cold Drinks/Ice
• Chips and lots of Misc. Items
• Milk, Bread, Eggs, Cookies, Candy

Now accepting the Quest Card!
Clothing, boots, hats, gloves
Hunting, Fishing, Camping Items
Fishing/Hunting licenses
Chips and lots of Misc. Items

Ninilchik Natives Association building—across from the high school.
The Ninilchik Trading Hardware section is now located next to the

C.R.E.A. REALTY
Debra Oskolkoff, Realtor
Email: doskolhoff@live.com
Office: (907) 252-7277
Cell: 907-299-3317
36901 Mallard Road Kenai, AK 99611
“Your Alaska Real Estate Advocates”

Win’s first book, Jeremiah’s Journey, Gaining Our Autistic Son by Losing Him to the System is now available. Visit Win’s new Facebook, either win@quirkysa.com or Win Quier, Author on Line. You’ll find an unordered copy of please contact Win at

www.HighFiveAwards.com
High Five Awards and Engraving
907.337.1099

For all your recognition needs!